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THE REALIZATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Preparatory document on the relationship between the enjoyment of human rights, in particular economic, social and cultural rights, and income distribution, prepared by Mr. Asbjørn Eide in accordance with Sub-Commission resolution 1993/40

		Paragraphs	Page
Introduction		1 - 7	2
I.	MANDATE	8 - 10	3
II.	INTERPRETATION AND APPROACH	11 - 21	4
III.	A REVIEW OF SELECTED INTERNATIONAL INSTRUMENTS	22 - 28	6
IV.	STUDIES ADDRESSING INCOME DISTRIBUTION	29 - 48	8
V.	WORKING GROUP ON THE RIGHT TO DEVELOPMENT	49 - 57	12
VI.	OTHER RECENT UNITED NATIONS REPORTS	58 - 74	14
VII.	THE INTERNATIONAL FINANCIAL INSTITUTIONS	75 - 81	18
VIII.	THE PRESENT CONTEXT	82 - 89	20
IX.	CONCLUDING OBSERVATIONS AND RECOMMENDATIONS FOR FURTHER WORK	90 - 112	21

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Introduction

1. The Universal Declaration of Human Rights, in its article 28 proclaims: "Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized". That article was the embryo of what subsequently came to be spelled out in more detailed human rights instruments, particularly the Declaration on the Right to Development, adopted by the General Assembly in 1986.

2. In regard to the quest for a social order ensuring enjoyment for all of the rights and freedoms set forth in the Universal Declaration of Human Rights, the Declaration on the Right to Development provides, in its article 8.1, that States should undertake, at the national level, all necessary measures for the realization of the right to development and shall ensure, inter alia, equality of opportunity for all in their access to basic resources, education, health services, food, housing, employment and the fair distribution of income.

3. In regard to the requirement foreseen in the Universal Declaration, in its article 28, of an international order in which human rights for all can be fully realized, the Declaration on the Right to Development provides in its article 3.3 that States have the duty to cooperate with each other in ensuring development and eliminating obstacles to development, and in article 4 that States have a duty to take steps, individually and collectively, to formulate international development policies with a view to facilitating the full realization of the right to development.

4. The right to development is, according to article 1 of the Declaration on the Right to Development:

> "an inalienable human right by virtue of which every human person and all peoples are entitled to participate in, contribute to, and enjoy economic, social, cultural and political development, in which all human rights and fundamental freedoms can be fully realized".

5. This is a task of great magnitude. It should be recognized that significant improvements have been made since the Universal Declaration on Human Rights, with its article 28, was adopted, but a social and international order in which human rights can be enjoyed by all is still very far from being achieved. According to the United Nations Development Programme (UNDP) Human Development Report 1994, 1/

> "While nearly 70 per cent of humanity survived in abysmal human conditions in 1960 (below a human development index of 0.4), only 32 per cent suffered such conditions in 1992. The share of the world population enjoying fairly satisfactory human development levels (above a HDI of 0.6) increased from 25 per cent in 1960 to 60 per cent in 1992."

In spite of this progress, the Human Development Report 1994 states that

> "a fifth of the developing world's population goes hungry every night, a quarter lacks access to even a basic necessity like safe drinking water,

and a third lives in a state of abject poverty - at such a margin of human existence that words simply fail to describe it". 2/

6. National societies and the international community itself are also, at present, going through processes of transition which appear to be causing even greater inequalities than those which existed before. From one perspective, these greater inequalities have come into existence partly as a result of recessions in the world economy in the 1980s. Some have described the 1980s as the "lost decade" for development. Many would argue, however, that the real problem in the 1980s was that global growth was poorly distributed.

7. What is needed now is a change in the very concept of development. UNDP in its Human Development Report 1994 defines sustainable human development as

"development that not only generates economic growth but distributes its benefits equitably; that regenerates the environment rather than destroying it; that empowers people rather than marginalizing them. It is development that gives priority to the poor, enlarging their choices and opportunities and providing for their participation in decisions that affect their lives". 3/

I. MANDATE

8. At its forty-fifth session, in its resolution 1993/40, the Sub-Commission on Prevention of Discrimination and Prevention of Minorities, mindful that the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights provided unequivocally that all persons were entitled to the full realization of economic, social and cultural rights; conscious of the impact of inequitable income distribution on the realization of the rights to health, education, housing, food, environmental quality and other economic, social and cultural rights; deeply alarmed about the widening gap between the rich and the poor; and disturbed that according to the United Nations Development Programme Human Development Report of 1992 and 1993, income distribution both within and between nations was becoming increasingly unbalanced and with income concentrated in fewer and fewer hands, decided to entrust Mr. Asbjørn Eide with the task of producing a preparatory document on the relationship between the enjoyment of human rights, in particular economic, social and cultural rights, and income distribution, at both national and international levels, taking also into account matters related to the realization of the right to development, with a view to determining how most effectively to strengthen activities in this field.

9. The Commission on Human Rights, in its resolution 1994/20 of 1 March 1994, endorsed the decision of the Sub-Commission to entrust Mr. Asbjørn Eide with the task of producing a preparatory document on income distribution and the realization of economic, social and cultural rights and encouraged the Sub-Commission to continue to give attention to that issue.

10. In the same resolution, the Commission on Human Rights affirmed that the full respect for the rights contained in the Covenant on Economic, Social and Cultural Rights was inextricably linked with the process of development, the central purpose of which was the realization of the potentialities of the human person in harmony with the effective participation of all members of

society in relevant decision-making processes as agents and beneficiaries of development, as well as fair distribution of the benefits of development (emphasis added).

II. INTERPRETATION AND APPROACH

11. The task at this stage is to prepare a preparatory document to facilitate further discussion in the Sub-Commission. The Sub-Commission may wish to recommend that a full study be prepared on the subject. The task set for this preparatory document is not to provide answers to questions which need further investigation, but to raise a number of issues which can be the subject of further examination and study.

12. The focus of the present document is the relationship between the enjoyment of human rights, in particular economic, social and cultural, and income distribution. The relationship has two aspects: how does the structure of income distribution affect the enjoyment of human rights? Conversely: how does the enjoyment of human rights affect the structure of income distribution? Both issues are of interest, but the primary focus here will be on the first aspect: the impact of different patterns of income distribution on the enjoyment of human rights.

13. Empirical investigations might be carried out to give a solid basis for replying to such questions. Some reflections on the desirable content of such investigations are set out below. There is, however, no point in investigating the obvious or in restating what is already generally known, including the information made available in the Human Development Reports of UNDP or the World Development Reports of the World Bank.

14. The relationship should be examined at both national and international levels. Gaps in income between rich and poor at the national level should be given attention to the same extent as gaps in income between nations.

15. A future study should, furthermore, take into account matters relating to the realization of the right to development, and the activities of the Working Group on the Right to Development, established pursuant to Commission on Human Rights resolution 1993/22, which held its first meeting in November 1993 and its second in May 1994. The question of income distribution is of central concern to the Working Group, since the Declaration on the Right to Development, in its article 2.3, deals with the fair distribution of benefits resulting from appropriate national development strategies, and in article 8.1 deals explicitly with fair distribution of income.

16. The consideration of the topic by the Sub-Commission, whether carried out by means of a study or in other ways, should contribute to determining how most effectively to strengthen activities in this field. In so doing, it should seek to avoid generalities and concentrate rather on practical, implementable measures which can help to remedy the situation. This will require an investigation of measures already taken by international bodies, such as UNDP, the financial institutions (the International Monetary Fund, the World Bank, the International Fund for Agricultural Development (IFAD) and others); agencies like UNICEF, etc. Some of them are already addressing ways to improve the structure of income distribution, not by grand measures but by

a focus on poverty alleviation and in other ways. Others have not yet properly addressed the issue but should be encouraged to do so.

17. Conceptually, it is necessary to clarify what is understood by income distribution. The term is used here in a neutral sense, as a measurement of the way in which income is distributed in a given society. It goes beyond purely monetary aspects. Distribution of land, land tenure and other aspects of the legal structures and processes that determine the ownership and control of productive resources must also be considered. The exploration of the distribution of income and resources in society should be complemented by an examination of the existence or non-existence of redistributive measures designed to create more egalitarian social structures. Such issues have been the subject of substantial academic work in several disciplines, such as philosophy, economics and politics. Each discipline has embraced these questions for different reasons. Strong controversies exist within each of them. Much of the debate has been carried out with ideological fervour and dogmatic positions have been taken up which have blocked proper dialogue. Common to much of the debate seems to be concern with the role of the State. Some consider it desirable to have a powerful State with the capacity to intervene effectively in the economy; others are strongly opposed to a substantial role for the State. Whichever approach is taken, the debate is of great significance for human rights, since under international human rights instruments, States have the primary responsibility to respect, protect and fulfil human rights. The conditions in which the State can perform this role require investigation, particularly in the light of the transitions which are at present taking place and which will be examined below.

18. The concern should not be with the causes of inequality - a subject which has given rise to an enormous literature, much of it of an ideological and dogmatic nature - which will not be examined in the present document. The focus here will be rather on the impact of different structures of international and national income distribution on human rights.

19. It is obvious that current, severe maldistribution of income prevents millions from enjoying economic and social rights. There can also be no doubt that gross inequalities prevent social harmony. Conflict, violence and extensive crime are to be found in societies where the gap between the rich and the poor is huge. In many societies with great social inequality trade unionism is blocked and democratic reform movements repressed through measures which violate civil and political rights.

20. It seems that the relationship between income distribution and human rights can be examined through various lenses. One is the lens of ethnicity and race: do certain racial, ethnic or other groups enjoy greater levels of human rights as a result of gaining access to higher levels of income? Another lens could be the important notion of equality of opportunity for all in their access to resources, which has been provided for in article 8 of the Declaration on the Right to Development. Another approach could be the consideration of violence, armed conflict or the emergence of militant social movements which claim a greater share of the benefits of development, including increased central government expenditure, land reform, the provision of public services and other benefits.

21. The main focus should be on remedial action to be taken in cases of intolerable levels of income inequality. At the same time, one needs to be aware of the opposition that exists in some quarters to greater equality. Part of such opposition is purely materialistic: those who are rich do not want redistribution, because they enjoy their riches. However, there are other more acceptable reasons: many oppose measures of redistribution because such measures have had negative consequences in the past, even for those who were the intended beneficiaries. Some categories of "welfare" measures, in the form of hand-outs, may reduce the level of inequality but may also reduce creativity and productivity, and may generate dependency. Consequently, the task is not simply to ensure greater equity but to do it in ways which are compatible with other basic goals in society. The measures must be socially and economically sustainable.

III. A REVIEW OF SELECTED INTERNATIONAL INSTRUMENTS

22. All international instruments concerned with economic, social and cultural rights are pertinent to the present study. Sometimes directly but in most instances indirectly, the realization of such rights requires that attention be paid to patterns of income distribution and the need to remedy negative aspects of those patterns. The right to work and to fair wages for work contains requirements as to the way in which income is distributed; the right to an adequate standard of living (Universal Declaration, art. 25) also requires measures to be taken to ensure that those who are most vulnerable are protected against falling below the poverty line. The rights to health and to education have similar implications: at least a part of the total income of a society has to be redistributed in such a way that the most vulnerable and poor also have access to free education, at least at the primary level, and to primary health care.

23. Article 2.1 of the International Covenant on Economic, Social and Cultural Rights requires each State Party to undertake

> "to take steps, individually and through international assistance and co-operation, ... to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the ... Covenant".

24. The Limburg Principles on the Implementation of the International Covenant on Economic, Social and Cultural Rights 4/ have assisted in clarifying this obligation. The obligation of "achieving progressively the full realization of the rights", in the Limburg interpretation, exists independently of the increase in resources; it requires effective use of resources available (emphasis added). 5/ Concerning "to the maximum of its available resources", the Limburg Principles state that attention shall be paid to equitable and effective use of and access to the available resources (emphasis added). 6/

25. Any provisions on human rights, and on economic, social and cultural rights in particular, must be seen in the light of the purposes and principles of the United Nations set out in its Charter, especially in Articles 1, 55 and 56. The International Bill of Human Rights, which is based on the Charter, contains several provisions that are relevant to the subject of

income distribution: articles 17, 21.2, 22, 23, 25, 26, 27 and 28 of the Universal Declaration; articles 6-15 together with articles 2 and 4 of the International Covenant on Economic, Social and Cultural Rights and article 25 (c) of the International Covenant on Political and Civil Rights. Directly relevant provisions are to be found in the Declaration on the Right to Development (arts. 3, 4 and 10); in the Universal Declaration on the Eradication of Hunger and Malnutrition (preambular para. (g)); as well as in the Declaration on Social Progress and Development (arts. 7, 10 and 11).

26. Relevant provisions are to be found also in the African Charter of Human and Peoples' Rights. Of particular significance is article 22:

> "All peoples shall have the right to their economic, social and cultural development with due regard to their freedom and identity and in the equal enjoyment of the common heritage of mankind".

The Additional Protocol to the American Convention on Human Rights in the area of Economic, Social and Cultural Rights recalls in its preamble that, in accordance with the Universal Declaration of Human Rights and the American Convention on Human Rights, the ideal of free human beings enjoying freedom from fear and want can only be achieved if conditions are created whereby everyone may enjoy his economic, social and cultural rights as well as his civil and political rights. Consequently, in that Convention provisions were made for the right to social security, primary and other health services and to education. The European Social Charter also contains numerous economic, social and cultural rights. Among the principles contained in the Charter can be mentioned principles 13 ("Anyone without adequate resources has the right to social and medical assistance") and 14 ("Everyone has the right to benefit from social welfare services").

27. The Declaration on Social Progress and Development, proclaimed by the General Assembly in 1969 in its resolution 2542 (XXIV), in the preamble to Part III on Means and methods states:

> "On the basis of the principles set forth in this Declaration, the achievement of the objectives of social progress and development requires the mobilization of the necessary resources by national and international action, with particular attention to such means as:
>
> ...
>
> "Achievement of equitable distribution of national income, utilizing, inter alia, the fiscal system and government spending as an instrument for the equitable distribution and redistribution of income in order to promote social progress". (art. 16 (c))

28. In paragraph I.10 of the Vienna Declaration and Programme of Action adopted on 23 June 1993, the World Conference on Human Rights underlined that

> "Lasting progress towards the implementation of the right to development requires effective development policies at the national level, as well as equitable economic relations and a favourable economic environment at the international level".

IV. STUDIES ADDRESSING INCOME DISTRIBUTION

29. Within the field of human rights, various studies have touched on income distribution. Mr. Manouchehr Ganji, Special Rapporteur of the Commission on Human Rights on the realization of economic, social and cultural rights published a major study, 7/ throughout which he addressed the issue of income distribution.

30. In the section of the report concerned with social conditions in less developed countries, under the heading "Inequalities in income, wealth and opportunity", 8/ the Special Rapporteur sees maldistribution of income as the consequence of a combination of such factors as the existence of a landed aristocracy and concentrated private ownership of property; the system of land holding and land ownership; concentration of ownership of commercial, financial and industrial activities in the hands of a small section of population. In his observations, the Special Rapporteur states:

> "Any strategy based on human resource development would not only lead to a higher or faster rate of growth but would result in a better distribution of income and a more just society. The obsession about trade-off between economic growth and social justice is based on short-sighted conceptions of economic factors". 9/

31. In the chapter on the international context is a section entitled "The widening income gap between rich and poor nations in monetary and real terms", 10/. This is preceded by a section entitled "Disequilibrium and dependence in international development", 11/ in which the Special Rapporteur describes the relations between less developed countries and the more developed world, which in his view should be seen as the by-product of an increasing disequilibrium between the centres and peripheries of international development that started about the time of the industrial revolution in Europe. Quoting Myrdal, he agrees that "contrary to what the equilibrium theory of international trade would seem to suggest, the play of market forces does not work towards equality". The Special Rapporteur continues in his own words:

> "It is therefore largely left to the active intervention of the Governments of less developed countries, and to concerted international efforts, to reverse the present trend towards a greater measure of income inequality between nations and between regions". 12/

32. These words date back to 1973. More recently, the Committee on Economic, Social and Cultural Rights, in 1991, began addressing the relationship between income distribution and the society-wide realization of economic, social and cultural rights. During its sixth session, several States were asked by the Committee if they had taken significant steps to redress existing income disparities and what impact national disparities in income had upon the society-wide enjoyment of the rights found in the Covenant. In the Committee's guidelines for States' reports States parties are requested to indicate the per capita GNP for the poorest 40 per cent of their population, whether a "poverty line" exists in their countries, and if so, the basis of this line.

33. Also pertinent to the subject of the present preparatory document is the final report on the right to own property alone as well as in association with others, 13/ prepared by Mr. Valencia Rodríguez, Independent Expert of the Commission on Human Rights. One of the conclusions of the Independent Expert is that "democratization" of property would promote a more equitable distribution of wealth. With respect to this concept of the "democratization" of property, the Independent Expert states:

> "It is hard to envisage democracy without ensuring the right to own property. On the other hand, effective materialization of this right can strengthen democracy and social stability; for instance, by promoting broad-based shareholding in society, privatization may lead to the constitution of a strong bulwark against social disorder. Democratic institutions and decision-making should also help maintain social stability as people living in a democracy feel they have a voice in the way in which their society is being run". 14/

34. On the issue of distribution, the Independent Expert states the following:

> "It seems useful in dealing with this issue to consider whatever form of property rights is recognized by the State, and focus attention on the question of the State's power to redistribute these rights, and therefore redistribute relative economic power among different individuals or groups within national society. Some States assert the power to redistribute property for reasons of public policy, some place constitutional limitations on the purposes for which redistribution is permitted, and some condition any redistribution on the payment of compensation to the former owners". 15/

35. Another section of the report of the Independent Expert pertinent to income distribution is that on legislation relevant to land use, distribution and allocation (chap. IV, sect. C).

> "Most Governments consider the right of ownership and use of land as well as other natural productive resources as an essential and integral part of the protection of human rights and fundamental freedoms. Legislative bodies of these States adopted appropriate legal provisions in their constitutions and agrarian laws relating to agrarian reforms as well as land use in conformity with the principles of international human rights instruments. Nevertheless, implementation of these land rights met enormous difficulties and obstacles in many developing countries". 16/

36. He further states:

> "A few replies drew attention to the topic of land and its function for human development consistent with the interests of the society as a whole. In this connection reference was made to the necessity of giving access to land to poor or other underprivileged groups as a fundamental requirement of meeting their social needs more effectively. Other information stressed the urgency of respecting and protecting indigenous peoples' systems of land tenure". 17/

37. Land reform has not always been successful in achieving a more egalitarian basis for self-reliant production.

> "Although in Latin America and some other parts of the world obsolete land ownership systems were done away with, ownership of vast tracts of land was nevertheless preserved, thereby giving rise to latifundismo which maintained the political, social and economic sway of small privileged groups over the huge majorities". 18/

38. Finally, in his recommendations, the Independent Expert proposes that:

> "Much of Government's role in a democratic society arose from the need to regulate competing claims to property among individuals and groups. Governments should promote the creation of assets and the acquisition of property by individuals to produce a social climate of hope and opportunity in which ambitious persons engage in constructive pursuits to the benefit of all of society". 19/

39. A major contribution in the preparation of the present report has come from the study on the realization of economic, social and cultural rights, by Mr. Danilo Türk, Special Rapporteur of the Sub-Commission in the period 1989-1992. In his final report 20/ the Special Rapporteur made the following observations:

> "Viewed globally, there exists an unfortunate trend towards delinking the role of income distribution both within States and between States from the realization of economic, social and cultural rights. The World Bank, for instance, cautions against income distribution, arguing that it "can be damaging, and the benefits in any case often go to the less needy". 21/

40. Discussing the inequitable income distribution within States, the Special Rapporteur writes:

> "Income distribution within States remains distressingly inequitable. Even in the industrialized countries where forms of comparatively progressive taxation and high levels of economic development and consumption are the norm, the wealthiest 20 per cent of the population continues to receive nearly seven times as much income as the poorest 20 per cent ... Adequately carrying out poverty-reduction programmes and fulfilling economic, social and cultural rights throughout society is unthinkable without also redressing current income imbalances". 22/

41. Turning to the international level, the Special Rapporteur states:

> "The poorest of the developing countries sustain more than half of the world's population, while possessing only 5.6 per cent of world income. Conditions such as these indicate that issues of income distribution must re-enter the framework of discussion regarding economic, social and cultural rights. Ignoring this issue, as now occurs all too frequently, will only augment existing problems. The politically sensitive aspect of

redistributing income must be overcome in the interest of fully complying with existing legal obligations of States to recognize, respect, protect and fulfil economic, social and cultural rights". 23/

"Although statistics on income distribution are currently only available for slightly more than a quarter of all States, it is well established that a decline in per capita income during the 1980s was experienced in Latin America and Sub-Saharan Africa, and the tragedy continues of the staggering number of more than 1 billion persons in the developing countries forced by circumstances beyond their control to live in absolute poverty. Many writers claim an empirical relationship between a worsening distribution of income and the undertaking of adjustment measures". 24/

42. The Special Rapporteur on the realization of economic, social and cultural rights concludes:

"Growing income disparities not only threaten the realization of economic, social and cultural rights, but serve to polarize excessively and fragment societies into the precarious and destabilizing dualism of 'haves' and 'have nots'. Coupled with the 'retreating' State, income disparity provides a dangerous basis for alienation, disenfranchisement and cynicism, which can lead ultimately to a deterioration in the very relations constituting civil society. Income distribution is a critical issue, if for no other reason than the relationship it has with democracy". 25/

43. The Special Rapporteur warns against an approach of "unqualified egalitarianism" which overlooks the difference between equality and equity and the fact that a certain degree of inequality and reasonable differentiation is both equitable and necessary: "the idea of absolute equality had a very destimulating effect on the creation of wealth, which resulted in generally slow growth". 26/

44. In the preparatory process for the World Conference on Human Rights a study entitled "Poverty, Marginalization, Violence and the Realization of Human Rights" 27/ was commissioned by the Centre for Human Rights. 28/ By cross-tabulating data coming from the human rights field and from the development field, the study reveals:

"an unequivocal association between a country's income level, its resources distribution and its respect for human rights. The struggle for scarce resources and use of repression to control discontent with inequality in resource distribution increase the level of confrontation and repression ... In fact, many of the human rights violations could be drastically diminished through political reform and better control over repressive apparatuses. However, this is only feasible in countries that do not have an excessively unjust income distribution". 29/

45. Although the study acknowledges that economic growth is a vital component of development, as well as for the stabilization of new democracies, it is insufficient in itself to ensure an equitable distribution of the social and economic benefits. 30/ Economic development, the internal income

distribution of material and intellectual resources, government regulatory action through inter alia investments in areas of social priority such as health and education, combined with civil and political liberties, are important factors which influence the level of development within a given country. 31/

46. At the national level, external limitations on economic growth can be counterbalanced by government intervention where markets cannot be relied upon, through public investment in areas such as education, health, nutrition and poverty alleviation. 32/

47. An important role lies with the State:

> "Governments have the primary responsibility for alleviating poverty and ensuring progress in the development of [the] people. As regards human rights, the role of the State is to respect, to protect and to promote their effective realization". 33/

48. Although, in the view of the authors of the study, precise obligations are lacking in the case of economic, social and cultural rights,

> "It is ... imperative for the States to create systems of government that institutionalize the protection of human rights. In the fulfilment of its obligations, the guiding principle must be equity". 34/

VI. WORKING GROUP ON THE RIGHT TO DEVELOPMENT

49. The establishment of the Working Group on the Right to Development by the Commission on Human Rights in its resolution 1991/21, has provided an opportunity for a wide-ranging exploration of current obstacles to development. At its first session, held in November 1993, the Working Group invited the international agencies and non-governmental organizations whose representatives had participated in its work to provide their views. Relevant parts of their statements are briefly reviewed below. 35/

50. The representative of the United Nations Conference on Trade and Development (UNCTAD) noted that the phenomenon of accelerated globalization had opened up new opportunities in terms of respect for human rights, democratization, economic performance and awareness of global problems, such as the environment. At the same time, the process had also led to the appearance of new obstacles, such as the reduction of States' ability in terms of economic policy and lack of predictability, which seriously hampered the implementation of development strategies, and the further marginalization of already marginalized groups and countries. At UNCTAD VIII, there had been general agreement on the need for social reforms to ensure an authentic development process and to adopt specific measures in support of the most vulnerable countries. There was a need for a partnership for development which through cooperation should restore an appropriate balance between economic efficiency and the need for justice and social equity.

51. The representative of the International Labour Organization (ILO) reviewed the obstacles to the right to development and singled out for attention the lack of access by large sectors of the population to the means

of production, and unequal opportunities for development. A unique aspect of the work of ILO was in the area of affirmative action in relation to racial and sexual discrimination.

52. The representative of the United Nations Development Programme (UNDP) informed the Working Group that its activities focused on facilitating access to resources, education, health, food, housing and development, addressing inequalities in income distribution and encouraging popular participation. As obstacles to development, he identified the misunderstanding of development in political circles, national administrations, the media and the public at large. Development should be understood as the number of families having shelter or the number of children enrolled in school or the number of doctors per head of the population, in other words, the satisfaction of basic needs.

53. The representative of the United Nations Centre for Human Settlements (Habitat) said that 1 billion people worldwide did not have adequate shelter and 100 million did not have shelter at all. Increasing attention was now given by Habitat to fostering the right to adequate housing.

54. The Working Group decided to place the obstacles of the right to development in four categories. It noted that the right to development was disregarded whenever one of the basic economic, social and cultural rights listed in the Covenant were disregarded. The root causes of these obstacles needed to be identified and remedial action to be undertaken, which in most cases would require new forms of partnership between the Governments of, particularly, but not exclusively, developing countries and countries in transition, and their bilateral and multilateral partners. Among the obstacles identified were mentioned the insufficient links at the national and international level between economic development and its political, environmental, social and cultural consequences; the ill-conceived role of the State in its relations with society and its methods of government, and the emergence of various forms of corruption; lack of income distribution; a misguided conception of development with economic growth as a panacea, and an insufficient contribution by the non-governmental constituents of society (the so-called intermediate structures) to the development process.

55. At its second session, held in May 1994, the Working Group on the Right to Development identified as a new obstacle to the realization of the right to development at the international level the increased marginalization of already vulnerable countries, as the result of profound changes in the world.

> "Growing disparities between developed and developing countries and between population categories are reflected in rising unemployment, a deterioration in living standards, acceleration in migratory movements, growing marginalization and an upsurge in poverty everywhere. These developments and the burden of debt servicing have provoked a rise in social and political tension and conflict and growing inequalities in the access to the right to development". 36/

56. The Working Group took note of the contributions of some of the Regional Commissions. The representative of the Economic Commission for Latin

America and the Caribbean (ECLAC) had pointed out to the Working Group that in the ECLAC region, the main obstacles to development were poverty, unequal distribution of income, non-productive employment and social disintegration.

57. At the national level, the Working Group identified as one specific obstacle to the right to development inequities in land and income distribution, as well as the apparent lack of participation of women, minorities and indigenous peoples and other vulnerable groups in the development process. It also considered that:

> "In their competition to attract foreign capital, States have to be more cautious about fiscal policy in terms of redistribution and taxation and have to impose tight monetary policies to fight inflation, but with detrimental effects on employment".

VI. OTHER RECENT UNITED NATIONS REPORTS

58. The distribution of income has been a major concern of the international community at large, as evidenced in numerous United Nations publications on the subject. The UNDP Human Development Report has since its first year of issue (1990) consistently addressed such issues as widening South-North gaps, inequality and levels of wealth, and poverty and social investment in both developing and industrialized countries.

59. Chapter three of Human Development Report 1992, entitled "The widening gap in global opportunities", deals exclusively with disparities, such as in income, economic growth, market opportunities and human capital. Comparing income distribution at the international level, the report demonstrates that income disparities have widened dramatically in recent years.

> "In 1960, the richest 20 per cent of the world's population had incomes 30 times greater than the poorest 20 per cent. By 1990, the richest 20 per cent were getting 60 times more. And this is based on the distribution between rich and poor countries. Adding the maldistribution within countries, the richest 20 per cent of the world's people get at least 150 times more than the poorest 20 per cent". 37/

60. The 1992 report identifies two main reasons for this situation. Firstly, the fact that the world trade market works to the benefit of the strongest, and that developing countries enter this market as unequal partners and leave again with unequal reward; secondly, the fact that market rules are changed to prevent free and open competition exactly in areas where developing countries could compete. As a result of this, in the 1993 report it is estimated that "poor nations are being denied $500 billion of market opportunities annually, about 10 times the annual flow of foreign assistance they receive". 38/

61. Human Development Report 1993 focuses on people's participation. Of particular interest to the present report is chapter three, entitled "People and markets", in which it is suggested that true open markets, where everybody could participate equally, could lead to an equitable sharing of benefits. The need for regulating and corrective actions on the part of the State (to protect vulnerable groups or the environment) as an important precondition for

an educated and healthy population is also acknowledged, as is the need for a reasonable distribution of productive assets, particularly land. 39/

62. Because of lack of relevant data and measurement tools (a problem which affects the subject of income distribution in every context), the Human Development Report has not yet been able to come up with an income distribution adjusted human development index (HDI). As of 1991 the team preparing the report has however indicated the need to adjust the HDI to make it sensitive to income distribution as being of crucial importance for development. Until that is done, the HDI, which consists of three variables: income, life expectancy and educational attainment, is no more than a national average, the use of which may hide considerable differences in the distribution of basic indicators, whether by gender, race, region, ethnicity or simply among individuals. In contrast to the other two variables, income is prone to be much less equally distributed naturally. As the report puts it: "A rich person cannot live a thousand times longer than a poor person, though their incomes may be in that ratio". 40/ The report has produced examples, for instance in Technical note table 1.2 of the 1991 edition, of a distribution-adjusted HDI, which shows interesting changes in the ranking of countries if such an adjusted index were applied.

63. The Human Development Report 1994 deals extensively with the basic concept of sustainable human development. While using terminology which is not identical to that of human rights, the report comes very close to the broad conception of human rights contained in the Universal Declaration by building on the notion of "universalism of life claims":

> "Universalism of life claims is the common thread that binds the demands of human development today with the exigencies of development tomorrow, especially with the need for environmental preservation and regeneration for the future ...
>
> "But sustainability makes little sense if it means sustaining life opportunities that are miserable and indigent: the goal cannot be to sustain human deprivation. Nor should we deny the less privileged today the attention that we are willing to bestow on future generations ...
>
> "In such a conceptual framework, sustainability is, in a very broad sense, a matter of distributional equity - of sharing development between present and future generations. There would, however, be something distinctly odd if we were deeply concerned for the well-being of the future - as yet unborn - generations while ignoring the plight of the poor today. The ethic of universalism clearly demands both intragenerational equity and intergenerational equity.
>
> "This equity is, however, in opportunities, not in final achievements. Each individual is entitled to a just opportunity to make the best of his or her potential capabilities." 41/

64. The Report on the World Social Situation, published every four years by the Department of Economic and Social Development of the United Nations (now the Department for Economic, and Social Information and Policy Analysis), in its 1993 edition, deals extensively with the subject of income

distribution and poverty. 42/ In his preface, the Under-Secretary General for Economic and Social Development states that during the 1980s "economic outcomes have widened differences in levels of income and welfare both among households and economies" and that "the outstanding economic and social problem in the world is that of poverty". 43/

65. Chapter VII of the 1993 report deals in its entirety with income distribution and poverty. Among other things, it considers the distribution of world output by regions; intercountry distribution of income in the 1980s; recent trends in income distribution within developing countries; and poverty in the 1980s.

66. Concerning the distribution of world output by regions, an attempt is made to explain the disparities between rich and poor countries.

> "One approach to the explanation of these differences starts from the rates of growth of inputs of labour and capital. However, such growth accounting leads to a large residual, since the rate of growth of inputs is not high enough to account for the rate of growth of output. This productivity growth has been variously attributed to technological progress, availability of adequate infrastructure, the education and skills of the labour force, its capacity to absorb new technology, managerial flexibility and government policies." 44/

67. With respect to intercountry distribution of income, the report reveals that inequality in the distribution of world income has worsened. However, contrary to expectations, this is not found to be the result of adverse shifts in the terms of trade or a deterioration in factor incomes.

68. Recent trends in income distribution in 16 developing countries show the wide inequalities, although it is stated that in 4 of them a movement towards less inequality can be discerned. Of particular interest are the data on so-called inter-sectoral income disparities (mainly between the urban and rural sectors), which, according to the report, are the principle reason for migration from the rural areas to cities.

69. The 1989 edition of the Report on the World Social Situation also dealt with inequality and poverty (chap. IV), one of its conclusions being that:

> "The distribution of income and welfare that prevails in developing countries is the result of both trends and fluctuations in the international economy and domestic economic and social policies. The precise links between the slide in commodity prices and the rise in the burden of debt, on the one hand, and the distribution of income in a nation, on the other, cannot be established on the basis of current research. However, the influence of these factors can be seen in the overall distribution of world income among nations." 45/

70. Concerning the trends in inequality, employment and poverty, it was found that these diverged markedly among the developing regions during the 1980s. For instance, income distribution did not appear to have changed noticeably in Asia. However, it had deteriorated sharply in the heavily indebted countries

of Latin America, while the difference between the relative income shares of urban and rural populations had narrowed in the poorer countries of sub-Saharan Africa. 46/

71. According to the report, in Asia continued progress was made in providing development and reducing poverty. As for the Latin American region:

> "Because of both the weight of the urban formal sector in those countries' economies and the close linkages between formal, informal and rural markets, the negative repercussion of stabilization and adjustment policies on formal sector employment, wages and salaries were broadly transmitted to the low-income population as a whole, thus contributing significantly to the growth of poverty and inequality in the region". 47/

With regard to the situation in Sub-Saharan Africa, it is viewed that:

> "Any reduction in the general inequality of income distribution has ... been due more to the diminished incomes of the urban labour force than to any reduction in rural poverty. Unabated rural-to-urban migration in that context exercised a further moderating influence on the remaining degree of inequality between the urban and rural sectors, without substantially increasing the dispersion of urban incomes". 48/

72. In the draft declaration and programme of action, which has been prepared for the World Summit for Social Development 49/, the issue of income distribution features prominently. In paragraph 9 of the draft declaration it is reaffirmed that inequalities between groups and nations should and can be reduced. Paragraph 11 adds that equality is not a natural thing, but should be wanted, or perceived to be desirable. The draft programme of action states that "unequal access to resources, technology and knowledge has created unequal growth and led to increasing socio-economic inequality, both within and among nations". 50/ Concerning the creation of a favourable international economic environment it is stated that:

> "Addressing disparities among countries and forging genuine international economic cooperation and solidarity calls for multilateral commitment to improve and make more equitable the functioning of the international economy." 51/

With regard to the establishment of a favourable political environment, it is stated that:

> "A fundamentally political issue ... is the extent to which the institutions of a democratic State should intervene to balance the unequal forces of markets ... Many Governments accept a degree of reduced economic efficiency or growth to ensure other values which they deem equally important ... but the priorities that a Government sets and the actions it takes should reinforce social equity, overcome social inequalities and compensate imbalances created through the functioning of markets." 52/

73. Paragraph 22 of the draft programme of action calls for ensuring "that the role of the State in securing the common interest is maintained through appropriate regulatory and fiscal policies". In a section on access to productive opportunities, which describes the fact that over 90 per cent of the world's poor live in rural areas of developing countries, it is stated that lack of access to land is a major cause of poverty:

> "Governments must improve the conditions of the landless through land distribution and land tenure reform, and accompany these with improved access to credit, supplies and equipment, irrigation and water supply systems, markets and extension services." 53/

74. In a section dealing with establishing the principles of access to the institutions of the State the draft programme of action states:

> "For a society to be truly integrated, it should be based on the principle of equal treatment of those in the same circumstances in matters of law, taxation and the provision of public services - education, health care, shelter-related services, social welfare or developmental services - while recognizing the need for differentiated treatment to allow for differences in individual circumstances." 54/

VII. THE INTERNATIONAL FINANCIAL INSTITUTIONS

75. Major financial institutions have adopted differing perspectives with regard to the effect of income distribution on development. The preferred position of the International Monetary Fund (IMF) is clearly one of non-involvement. IMF has stated:

> "The question of whether or not the Fund should involve itself centrally in income distribution needs to be answered negatively, not the least because it touches directly on what should be sovereign decisions by national Governments. It would seem that it is up to the national authorities to continue to enhance programmes that improve the equitable distribution of resources beyond the immediate horizon of the adjustment programme. In any case, it is very difficult to draw the line at what, appropriately, can be done to assist countries in developing policies to address their social concerns and what would constitute the imposition of outside standards in that respect". 55/

The representative of IMF did note, however, in a statement to the Working Group on the Right to Development, that privatization could be seen as a method of relaxing the hold of vested interests and was only useful if it led to a distribution of wealth. 56/

76. Unlike IMF, the World Bank has repeatedly addressed the issue of income distribution. Its publications emphasize the topic's relevance to development.

77. In the World Development Report 1990, 57/ which focuses on poverty, it is argued that sustainable progress can be achieved via a strategy comprising two elements. First, the productive use of the poor's most abundant asset, labour, must be promoted. Secondly, basic social services (health, education,

family planning) must be provided to the poor. This would not only give the poor new opportunities but also give them the means to exploit such opportunities.

78. In advocating this two-pronged attack on poverty, the World Bank clearly envisages a role for IMF and other lending agencies:

> "During the transition period the poor can be protected through a judicious mix of macroeconomic policies (for example, pricing policy reforms that benefit poor farmers) and measures to moderate declines in private consumption. Experience also shows that it is possible to shift public spending in favour of the poor, even within an overall framework of fiscal discipline, and to target transfers more accurately. In addition, increased capital inflows can be used to help cushion the impact of adjustment on the poor." 58/

79. The authors of the report reject the main argument against redistribution, namely, that it is achieved at the expense of growth.

> "Discussions of policy towards the poor usually focus on the trade-off between growth and poverty. But the review of country experience suggests that this is not the critical trade-off. With appropriate policies, the poor can participate in growth and contribute to it, and when they do, rapid declines in poverty are consistent with sustained growth." 59/

A switch to an efficient, labour-intensive pattern of development and greater investment in human capital should enhance long-term growth. Despite the compatibility of growth and redistribution, measures promoting them are not widely adopted since "policies that help the poor but impose costs on the non-poor will encounter resistance whether or not they increase national income." 60/

80. This position was restated the following year in the World Development Report 1991, which found that:

> "if anything, it seems that inequality is associated with slower growth. The notion of a trade-off between growth and equity, which helped to entrench antigrowth polices in socialist economies and anti-equity policies in conservative ones, has been further discredited by the many economies that consistently outperform the rest, on both counts: Costa Rica, Indonesia, Japan, Korea, Malaysia and the Scandinavian economies". 61/

81. The Inter-American Development Bank (IABD) is even more outspoken. In its annual report released in April 1994 the Bank is exceptionally clear in advocating the necessity of a more equitable distribution of income throughout Latin America. IABD warns that "economic growth and modernization of the economy cannot be maintained without political and social stability, both of which are dependent upon a more fair distribution of the benefits of economic growth". The Chairman of the Bank, Enrique Iglesias has asserted that it is time that Latin America paid attention to solving social problems. Levels of

poverty throughout Latin America have remained stable during the past three years, despite annual economic growth rates averaging around 3 per cent. 62/

VIII. THE PRESENT CONTEXT

82. International human rights instruments require States to respect, protect and fulfil human rights. To comply with these obligations, the State has an essential role to play in ensuring equity in income distribution. The State must, in particular, ensure conditions which provide space and protection for the vulnerable groups in society. Above all, the State must ensure that everyone is free from hunger, which is proclaimed to be a fundamental freedom, and in general that everyone enjoys an adequate standard of living (Universal Declaration of Human Rights, art. 25).

83. State obligations in this field might include the following:

(a) To ensure access to land and other productive assets, which would include land reform, land security, and non-displacement of persons unless at least equal opportunities are effectively ensured elsewhere in close consultation with those who are displaced;

(b) To provide public services and other benefits, which would include employment creation;

(c) To provide equality of opportunity for all;

(d) To guarantee non-discrimination in the employment field, protection of freedom of trade unions;

(e) To implement the Convention on the Elimination of All Forms of Discrimination against Women, which would beneficially affect women's earning capacity and equality with men;

(f) To provide education and technical training;

(g) To provide a functioning system of taxation;

(h) To allow all groups in society to have access to the benefits of development.

84. How this is to be done requires a more detailed analysis, in which account is taken of the different conditions in different States. As noted above, the Working Group on the Right to Development has stated that remedial action in most cases will require new forms of partnership between the Governments of particularly, but not exclusively, developing countries and countries in transition, and their bilateral and multilateral partners.

85. Account must be taken, however, of the present process of transition which is greatly weakening many States. It has been addressed by many observers. The representative of the United Nations Conference on Trade and Development (UNCTAD) reflected in the Working Group on the Right to

Development on the current phenomenon of accelerated globalization. While it has opened up new opportunities in terms of respect for human rights, democratization and economic performance, it has also led to the appearance of new obstacles. One of these is the declining ability of the State to implement effective economic policies, which seriously hampers the implementation of development strategies. One of the results is the further marginalization of already marginalized groups and countries.

86. Increasingly free trade and free flow of investment have had several consequences: on the one hand, they have reduced the capacity of Governments to create the conditions necessary for the realization of economic, social and cultural rights; on the other hand, they seem to have become requirements for structural adjustment (which reinforces the first problem).

87. These processes in some cases, lead to a reduction in State property, particularly productive assets; a reduction in government expenditure; a reduction in public expenditure, and a decline in the regulatory role of the State. Some of this is undoubtedly welcome, including from the perspective of equity and distribution of wealth. It is doubtful, however, whether all aspects of the process are equally beneficial.

88. Reduction in State expenditure can be very beneficial, if it includes a reduction in military expenditure, but preferably if a significant part of the saving can be redirected to sustainable human development. The UNDP Human Development Report 1994 addresses the process of disarmament in the industrial and developing countries, and makes a strong call for the use of what is called "the peace dividend" (the expenditures saved by disarmament) for social development and environmental protection.

> "It is frustrating that, just as social and human agendas were pushed aside at a time of rising military budgets, they continue to be neglected even when military expenditures are being reduced." (p. 59.)

89. In these large-scale transition processes, there is a very strong need for what, at the UNCTAD VII conference, was called a "partnership for development". This partnership should be directed towards sustainable human development for all. While States are accountable for the realization of human rights, including economic, social and cultural rights, no State can under the present conditions of globalization realize these rights entirely on its own. Remedial actions to eliminate obstacles to sustainable human development must be taken in partnership, as pointed out by the Working Group on the Right to Development. (See para. 83 above.)

IX. CONCLUDING OBSERVATIONS AND RECOMMENDATIONS FOR FURTHER WORK

90. There can be no doubt that the contemporary trend towards the concentration of wealth constitute serious obstacles to the realization of human rights, particularly to the enjoyment of economic, social and cultural rights. It also affects negatively the enjoyment of civil and political rights for a multitude of reasons, such as the effects of conflicts over the distribution of land and other productive resources, and the excluding impact of poverty on political participation and on personal security.

91. It is generally recognized and has been repeatedly stated in the studies and reports quoted in this preparatory document that what should be achieved is greater equality of opportunity, not necessarily equality of outcome. Equality of opportunity means the provision of equal chances, from the outset of life, for human beings to manage their own future, and of arrangements to eliminate the negative consequences of accidental misfortune, such as serious illness, disability and structural unemployment, that otherwise could destroy the efforts made in goodwill by the human being concerned.

92. Equal opportunity does not necessarily negate efficiency, if efficiency is understood in its full, social context. It is not efficient when a given social order is maintained through a high level of imprisonment and a low level of personal security due to fear of crime, including homicide, robbery and rape. That groups in the middle- and higher-income brackets have to invest considerable parts of their income to ensure their personal security and the security of their property, is an indication that the efficiency of the social system is low. Whether measures to ensure equal opportunity reduce efficiency in society depends on the ways in which it is being done.

93. In March 1995 the World Summit for Social Development will be held in Copenhagen. In a statement by the Committee on Economic, Social and Cultural Rights at its tenth session, in May 1994, the Summit is described as an ideal setting in which social development and human rights concerns can be effectively integrated and in which the cooperative efforts of different agencies and bodies can be brought together in a non-political context in which genuine commitments can be demonstrated by Governments in relation to social development objectives. In essence, the Summit will have to examine ways in which the whole range of economic, social and cultural rights can be realized. As repeatedly made clear both by the Committee on Economic, Social and Cultural Rights and by experts in the field, these rights are not merely vague development goals; they constitute immediate obligations for States and for the international community to take concrete and specific steps now towards their realization. Not only should the declaration to be adopted by the Summit urge universal ratification of the International Covenant on Economic, Social and Cultural Rights, but the rights contained in the Covenant should be used as the framework for the relevant parts of the programme of action to be adopted by the Summit. If this is done, it would strengthen efforts for a restructuring of income distribution, both within States and in the international community. Concerns with income distribution in this direction are prominent in the draft programme of action, as described in paragraphs 72 and 73 above.

94. Many different paths have been taken in the past to achieve equal opportunities. In many industrialized countries, the welfare State model has been an important mechanism. It has had its benefits and sometimes its drawbacks, depending on the way in which it has been organized and on the attitude of the beneficiaries. Whether in industrialized or in less developed countries, however, there is a broad consensus that equality of opportunity primarily has to be promoted through empowerment of the vulnerable, ensuring conditions which make it possible for them to participate effectively in the process of development and to obtain their just share of the benefits from it.

With the growing interdependence, free trade and investment there is also a growing awareness that a global attention to welfare is required, even though its content still remains to be spelled out.

Approaches to equity in income distribution

95. If a study is to be carried out, the larger question of income distribution should be broken up into appropriate components. The different contexts in which inequality of income can be observed should be addressed, traditional and current efforts to remedy such inequalities examined, and the achievements of such efforts studied in greater detail in order to recommend better or faster ways to overcome the difficulties. In the following paragraphs, some initial suggestions will be made in this regard.

Discrimination

96. Differences in income often result from discrimination, a subject with which the Sub-Commission is very familiar. Such discrimination is often culturally based and slow to change. Discrimination on the grounds of gender or sex has frequently led to women having lower incomes than men. Discrimination on the grounds of race has caused substantial differences in income, the most extreme case, but not the only one, being South Africa under apartheid. Members of some disadvantaged ethnic groups, including indigenous peoples, have often experienced the same difficulties. Caste systems have had similar consequences for persons of low caste or "casteless" persons. Migrant workers have also in many places experienced inequality in income.

97. Efforts have been made internationally and nationally during the last few decades to eliminate the consequences of discrimination. The Convention on the Elimination of All Forms of Discrimination against Women, and the International Convention on the Elimination of All Forms of Racial Discrimination, have been important tools in this task. ILO has also played an essential role. The protection of equal opportunities for migrant workers still requires further work, however.

98. The future study should examine the achievements made through anti-discrimination measures in regard to equality of opportunity between men and women, between members of different races and ethnic groups, and between migrant workers and nationals of the country concerned, and should propose further measures which can increase equality in these contexts.

The rural poor

99. In developing countries, it is widely recognized that there is a great disparity of income in the rural areas. Rural poverty arises from increasing landlessness, environmental degradation and conflict over land which is sometimes violent. Indigenous peoples have been strongly affected by such processes, owing inter alia to an unwillingness on the part of Governments to accept their traditional land rights. The poverty which is generated by such processes also has political consequences: the rural poor are often less organized, less well represented and much less able to influence effectively the decision makers in matters where they are in conflict with the more well-to-do.

100. Problems of this kind have been addressed in several ways. Land reform has been used, in some parts of the world with great success (East Asia, including the Republic of Korea and Taiwan (Province of China)), and in other places with mixed results (Latin America). The use of estate and inheritance taxation has also in some places been used to redistribute basic resources, but not with much energy.

101. The future study should examine positive experiences of land reform which has effectively contributed to greater equality of access to land, in order for other countries to learn from these lessons. It should also examine ongoing efforts to make secure the title to land of indigenous peoples, and ways in which this contributes to a strengthening of their level of income. Furthermore, the study should examine the use of, and resistance to, inheritance and estate taxation and ways in which it can be used to increase equality of income.

The urban poor

102. The urban poor are also increasingly becoming vulnerable, particularly in developing countries. The causes of migration from the rural to urban areas are several, including landlessness and rural poverty but also the dream (often frustrated) of greater life chances in the urban area. The poverty many of those who move to urban areas often face is compounded by racial, ethnic or other discrimination.

103. Remedial action would require improvement of living conditions in the rural areas in order to reduce the temptation to migrate to the towns. For those who do migrate, business and employment opportunities need to be created.

104. In regard to the urban poor, the future study should examine the efforts made to create such employment and business opportunities. It should also examine the effects on empowerment of the realization of economic and social rights: food, shelter, education and health - all of which are necessary in order to be able to contribute and to participate effectively in the development of society.

The growing gap between countries

105. The gap is increasing, particularly between the industrialized countries of the West, and of East and South-East Asia at the top, and the least developed countries at the bottom. The latter cannot develop solely on their own scarce resources.

106. Remedial action to reduce this gap is possible only through cooperation along the lines of the UNCTAD proposal for a partnership for development which would restore an appropriate balance between economic efficiency and the need for justice and social equity.

107. The study should, in this context, examine the elimination of the debt burden of the least developed countries, and the transfer of resources to these countries aimed at increasing the empowerment and productive strength of the countries concerned.

The worldwide growing disparity between rich and poor

108. The process of globalization, which has opened up new possibilities, has also had negative consequences by reducing the possibility of protecting the more vulnerable parts of the population, in all parts of the world. It is now also affecting Western societies, as evidenced by a high level of unemployment and a decrease in welfare benefits.

109. A global approach to the realization of economic, social and cultural rights is therefore now required, involving States, intergovernmental organizations and international non-governmental organizations.

110. The study should examine the nature and content of structural adjustment policies and their impact on the enjoyment of economic, social and cultural rights for the most vulnerable, with a view to making recommendations for their modification in order to be fully compatible with the realization of human rights.

111. The study should examine ways in which the international and regional financial institutions can avoid prescribing economic policies which result in growing income disparities within States.

The universal framework

112. In regard to all the issues examined above, the study should examine ways in which Governments acknowledge, recognize and seek to rectify existing (and in most cases growing) inequities as regards income, access to resources and economic power, and how they report to the Committee on Economic, Social and Cultural Rights concerning income distribution and measures designed to achieve equality of opportunity for all, in fact and in law.

Notes

1/ UNDP, Human Development Report 1994, Oxford University Press, p. 1.

2/ Ibid., p. 2.

3/ Ibid., p. iii.

4/ Adopted in 1986. E/CN.4/1987/17, Annex; and published in Human Rights Quarterly 9 (1987), pp. 122-135.

5/ Ibid., para. 23.

6/ Ibid., para 27.

7/ The Realization of Economic, Social and Cultural Rights: Problems, Policies, Progress (United Nations publication, Sales No. E.75.XIV.2).

8/ Ibid., paras. 134-158.

9/ Ibid., para. 158.

10/ Ibid., paras. 309-318.

11/ Ibid., paras. 301-308.

12/ Ibid., chap. V, para. 303.

13/ E/CN.4/1994/19 and Add.1.

14/ Ibid., para 109.

15/ Ibid., para. 152.

16/ Ibid., para. 307.

17/ Ibid., para. 323.

18/ Ibid., para. 308.

19/ Ibid., para. 502.

20/ E/CN.4/Sub.2/1992/16.

21/ Ibid., para. 76.

22/ Ibid., para. 78.

23/ Ibid., para. 80.

24/ Ibid., para. 77.

25/ Ibid., para. 84.

26/ Ibid., para. 35.

27/ A/CONF.157/PC/60/Add.3.

28/ Pursuant to General Assembly resolutions 45/155 and 46/116.

29/ Ibid., para. 32.

30/ Ibid., para. 24.

31/ Ibid., para. 26.

32/ Ibid., p. 16

33/ Ibid., para. 56.

34/ Ibid.

35/ All of the statements referred to are summarized in the report of the Working Group on the Right to Development on its first session (E/CN.4/1994/21).

36/ All findings of the Working Group at its second session are based on draft its report (E/CN.4/AC.45/1994/L.1 and addenda and L.2).

37/ Human Development Report 1992, p. 1.

38/ Human Development Report 1993, pp. 27-28.

39/ Ibid. p. 4.

40/ Human Development Report 1991, p. 94.

41/ Human Development Report 1994, p. 13.

42/ Report on the World Social Situation 1993, (United Nations publication, Sales No. E.93/IV.2).

43/ Ibid., p. iii.

44/ Ibid., p. 81-82.

45/ 1989 Report on the World Social Situation, (United Nations publication, Sales No. E.89.IV.1), p. 36.

46/ Ibid., p. 45.

47/ Ibid.

48/ Ibid.

49/ A/CONF.166/PC/L.13.

50/ Ibid., para. 6.

51/ Ibid., para. 12.

52/ Ibid., para. 21.

53/ Ibid., para. 38.

54/ Ibid., para. 143.

55/ E/CN.4/Sub.2/1992/57, para. 8.

56/ E/CN.4/1994/21, para. 85.

57/ World Bank, World Development Report 1990, Oxford University Press.

58/ Ibid., p. 3.

59/ Ibid., pp. 51-52.

60/ Ibid., p. 52.

61/ World Bank World Development Report 1991, Oxford University Press, p. 137.

62/ "Bank: welvaart Zuid-Amerika spreiden" (Bank: Spread the Wealth in South America) in NRC Handelsblad, Rotterdam (11 April 1994).